

BEVERLY JCG LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200505118M)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2022

TABLE OF CONTENTS

	Page
A. Condensed interim consolidated statements of comprehensive income	1
B. Condensed interim statements of financial position	2
C. Condensed interim consolidated statements of cashflows	3-4
D. Condensed interim statements of changes in equity	5-7
E. Notes to the condensed interim consolidated financial statements	8-21
F. Other information pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst	22-32

The quarterly reporting of financial statements is mandatory for the Company pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited's Listing Manual Section B: Rules of Catalyst (the "Catalist Rules"). The foregoing statement is made pursuant to Rule 705(2C) of the Catalist Rules.

*This announcement has been prepared by Beverly JCG Ltd. (the "Company") and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd (the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Ms Vanessa Ng (Telephone: +65 6389 3065 and E-mail: vanessa.ng@morqanlewis.com).

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

A. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	Group					
		3 months			6 months		
		1 Apr 2022 to 30 Jun 2022	1 Apr 2021 to 30 Jun 2021	+ / (-)	1 Jan 2022 to 30 Jun 2022	1 Jan 2021 to 30 Jun 2021	+ / (-)
	S\$'000	S\$'000		S\$'000	S\$'000		
Revenue	4.2	2,690	2,131	26%	4,893	4,001	22%
Cost of Sales		(1,275)	(1,103)	16%	(2,284)	(2,092)	9%
Gross Profit		1,415	1,028	38%	2,609	1,909	37%
Gross Profit Margin		53%	48%	5%	53%	48%	5%
Other income		31	233	(87%)	70	298	(77%)
Selling and distribution expenses		(42)	(96)	(56%)	(102)	(205)	(50%)
Administrative expenses		(2,026)	(1,763)	15%	(3,980)	(3,593)	11%
Finance expenses		(52)	(114)	(54%)	(87)	(163)	(47%)
Loss for the financial period before income tax		(674)	(712)	(5%)	(1,490)	(1,754)	(15%)
Income tax credit	7	44	10	>100%	88	79	11%
Loss for the financial period		(630)	(702)	(10%)	(1,402)	(1,675)	(16%)
Other comprehensive income/(loss), net of tax:							
Exchange differences on translation of foreign operations		5	7	(29%)	8	10	(20%)
Total comprehensive loss for the period		(625)	(695)	(10%)	(1,394)	(1,665)	(16%)
Loss for the period attributable to:							
Equity holders of the Company		(601)	(606)	(1%)	(1,236)	(1,333)	(7%)
Non-controlling interests		(29)	(96)	(70%)	(166)	(342)	(51%)
		(630)	(702)	(10%)	(1,402)	(1,675)	(16%)
Total comprehensive loss for the period attributable to:							
Equity holders of the Company		(596)	(599)	(1%)	(1,228)	(1,323)	(7%)
Non-controlling interests		(29)	(96)	(70%)	(166)	(342)	(51%)
		(625)	(695)	(10%)	(1,394)	(1,665)	(16%)

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at 30 Jun 2022 S\$'000	As at 31 Dec 2021 S\$'000	As at 30 Jun 2022 S\$'000	As at 31 Dec 2021 S\$'000
ASSETS					
Current assets					
Cash and cash equivalents		1,219	913	743	192
Trade and other receivables	8	1,050	924	803	739
Inventories		470	407	-	-
Total current assets		2,739	2,244	1,546	931
Non-current assets					
Investment in subsidiaries	10	-	-	2,417	2,417
Property, plant and equipment	11	4,296	5,018	66	135
Intangible assets	12	861	1,054	-	-
Total non-current assets		5,157	6,072	2,483	2,552
Total assets		7,896	8,316	4,029	3,483
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	13	4,646	4,471	1,821	1,245
Income tax payable		18	18	-	-
Borrowings	14(b)	1,222	980	813	800
Lease liabilities	14(a)	359	616	58	124
Total current liabilities		6,245	6,085	2,692	2,169
Non-current liabilities					
Borrowings	14(b)	304	299	-	-
Lease liabilities	14(a)	1,552	1,643	-	-
Deferred income tax liabilities		154	242	-	-
Total non-current liabilities		2,010	2,184	-	-
Total liabilities		8,255	8,269	2,692	2,169
Net assets/(liabilities)		(359)	47	1,337	1,314
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	15	73,982	72,994	73,982	72,994
Settlement shares and warrants receivables	9	(3,557)	(3,557)	(3,557)	(3,557)
Other reserves		3,047	3,039	3,074	3,074
Accumulated losses		(73,927)	(72,691)	(72,162)	(71,197)
		(455)	(215)	1,337	1,314
Non-controlling interests		96	262	-	-
Total equity		(359)	47	1,337	1,314

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

C. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Group			
	3 months ended		6 months ended	
	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Net loss	(630)	(702)	(1,402)	(1,675)
Adjustment for:				
Income tax credit	(44)	(10)	(88)	(79)
Depreciation of property, plant and equipment	377	241	766	740
Amortisation of intangible assets	97	97	193	193
Gain due to modification of lease	-	(143)	-	(143)
Unrealised currency translation gain	73	31	103	48
Interest expenses	52	114	87	163
Operating cash flows before movements in working capital	(75)	(372)	(341)	(753)
Trade and other receivables	(106)	(126)	(126)	(146)
Inventories	(29)	(48)	(63)	(73)
Trade and other payables	366	(472)	47	301
Net cash from/(used in) operating activities	156	(1,018)	(483)	(671)
Cash flows from investing activities				
Purchase of property, plant and equipment	(23)	(269)	(38)	(507)
Net cash used in investing activities	(23)	(269)	(38)	(507)

Group

	3 months ended		6 months ended	
	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from financing activities				
Net proceeds from share subscription	-	-	600	-
Proceeds from advances	525	-	525	-
Net proceeds from rights issue	-	1,913	-	1,913
Proceeds from borrowings	116	114	116	425
Repayment of lease liabilities	(273)	(55)	(525)	(99)
Repayment of borrowings	(136)	(144)	(144)	(224)
Interest paid	(21)	(25)	(22)	(41)
Net cash from financing activities	211	1,803	550	1,974
Net increase in cash and cash equivalents	344	516	29	796
Cash and cash equivalents at the beginning of the financial period	598	394	913	116
Effects of currency translation on cash and cash equivalents	(3)	(1)	(3)	(3)
Cash and cash equivalents at the end of the financial period	939	909	939	909

Consolidated cash and cash equivalents are represented by:

Cash and bank balances	949	952	949	952
Fixed deposits	270	62	270	62
	1,219	1,014	1,219	1,014
Less: bank overdrafts	(280)	(105)	(280)	(105)
Cash and cash equivalents per consolidated statements of cash flows	939	909	939	909

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

D.CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	Share capital S\$'000	Settlement shares and warrants receivables S\$'000	Currency translation reserves S\$'000	Accumulated losses S\$'000	Share option reserves S\$'000	Warrant reserves S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance as at 1 January 2021	71,623	-	(38)	(70,191)	25	1,880	3,299	541	3,840
Net loss for the financial period	-	-	-	(1,333)	-	-	(1,333)	(342)	(1,675)
Other comprehensive loss	-	-	10	-	-	-	10	-	10
Total comprehensive loss for the financial period	-	-	10	(1,333)	-	-	(1,323)	(342)	(1,665)
Issuance of share capital, net of expenses	1,882	-	-	-	-	-	1,882	-	1,882
Balance as at 30 June 2021	73,505	-	(28)	(71,524)	25	1,880	3,858	199	4,057
Balance as at 1 January 2022	72,994	(3,557)	(35)	(72,691)	25	3,049	(215)	262	47
Net loss for the financial period	-	-	-	(1,236)	-	-	(1,236)	(166)	(1,402)
Other comprehensive loss	-	-	8	-	-	-	8	-	8
Total comprehensive loss for the financial period	-	-	8	(1,236)	-	-	(1,228)	(166)	(1,394)
Issuance of share capital, net of expenses	988	-	-	-	-	-	988	-	988
Balance as at 30 June 2022	73,982	(3,557)	(27)	(73,927)	25	3,049	(455)	96	(359)

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Company	Share capital S\$'000	Settlement shares and warrants receivables S\$'000	Accumulated losses S\$'000	Share option reserves S\$'000	Warrant reserves S\$'000	Total equity S\$'000
Balance as at 1 January 2021	71,623	-	(69,294)	25	1,880	4,234
Loss for the financial period	-	-	(926)	-	-	(926)
Issuance of share capital, net of expenses	1,882	-	-	-	-	1,882
Balance as at 30 June 2021	73,505	-	(70,220)	25	1,880	5,190
Balance as at 1 January 2022	72,994	(3,557)	(71,197)	25	3,049	1,314
Loss for the financial period	-	-	(965)	-	-	(965)
Issuance of share capital, net of expenses	988	-	-	-	-	988
Balance as at 30 June 2022	73,982	(3,557)	(72,162)	25	3,049	1,337

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

On 4 April 2022, the Company completed the allotment and issuance of an aggregate of 388,696,000 shares at an issue price of S\$0.001 per share pursuant to part payment of employees' and directors' salaries in shares in lieu of cash. Accordingly, the total number of ordinary shares of the Company increased from 19,292,715,589 as at 31 March 2022 to 19,681,411,589 shares as at 30 June 2022.

The number of outstanding convertibles as at 30 June 2022 was 4,366,394,559 (30 June 2021: 3,911,394,559).

The Company did not have any treasury shares or subsidiary holdings as at 30 June 2022 and 30 June 2021.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

The total number of issued ordinary shares (excluding treasury shares) as at 30 June 2022 was 19,681,411,589 (31 December 2021: 18,662,715,589).

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

Not applicable. The Company did not have any treasury shares during the period ended and as at 30 June 2022.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on**

Not applicable. The Company did not have any subsidiary holdings during the period ended and as at 30 June 2022.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Beverly JCG Ltd. (the "**Company**") is incorporated in Singapore (Registration No: 200505118M) with its principal place of business and registered office at 600 North Bridge Road, #06-02 Parkview Square, Singapore 188778. The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 13 April 2006.

The principal activities of the Company are those of investment holding and provision of management services.

The principal activities of its subsidiaries are aesthetic medical and healthcare and trading and distribution as disclosed in Note 11 to the condensed interim consolidated financial statements.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with Singapore Financial Reporting Standard (International) ("SFRS(I)") 1-34 Interim Financial Reporting.

The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and financial performance of the Group since the last financial statements for the financial year ended 31 December 2021.

The accounting policies and method of computation adopted are consistent with the most recently audited financial statements for the year ended 31 December 2021 which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the functional currency of the Company and all financial information presented in Singapore dollar are rounded to the nearest thousand (S\$'000) except otherwise indicated.

2.1 New and amended standards adopted by the Group

There has been no change in the accounting policies and methods of computation adopted by the Group for the current reporting period compared with the audited financial statements for the year ended 31 December 2021, except for the adoption of new or revised SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for the financial year beginning on or after 1 January 2022. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group.

2.2 Critical accounting estimates, assumptions and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are as below:

2.3 Going concern

The Group and the Company incurred a total loss of S\$1.402 million (30 June 2021: S\$1.675 million) and S\$0.965 million (30 June 2021: S\$0.926 million) respectively and the Group also incurred net operating cash outflows of S\$0.483 million (30 June 2021: S\$0.671 million) for the financial period ended 30 June 2022. As at 30 June 2022, the Group's current liabilities exceeded its current assets by S\$3.506 million (31 December 2021: S\$3.841 million).

Nevertheless, the Board of Directors (including the Audit Committee) believe that the use of the going concern assumption in the preparation of the financial statements for the financial period ended 30 June 2022 is appropriate after taking into consideration the following assumptions and measures:

- (i) On 23 August 2022, the Company has received a financial support undertaking letter from Dato' Ng Tian Sang @ Ng Kek Chuan, whereby he will undertake, for as long as he is a substantial shareholder of the Company, to provide continuing financial cash flow support to the Group to enable it to continue its operations as a going concern and to meet its liabilities as and when they fall due for the next 18 months.
- (ii) As at the date of this Announcement, the Company has entered into advance agreements (the "**Advance Agreements**") with each of Lee Huek Ping, Yap Mee Lee, Dato' Ng Tian Sang @ Ng Kek Chuan and Gouthaman s/o Jayaram (collectively, the "**Lenders**") on 18 August 2022 and 22 August 2022 pursuant to which the Lenders have agreed to extend unsecured interest-bearing loans for an aggregate amount of S\$915,000. The loans are to be repaid by the Company 18 months from the date of the respective advance agreements, with an option for the Company and the respective Lenders to extend the repayment date for another 6 months. The interest rate for the loans extended by the Lenders (excluding Dato' Ng Tian Sang @ Ng Kek Chuan) is 6% per annum, while the interest rate for the loans extended by Dato' Ng Tian Sang @ Ng Kek Chuan is 4% per annum. As of the date of this announcement, the Company has received the loan amount of S\$705,000 and the remaining loan amount of S\$210,000 is expected to be received by the Company before 31 August 2022. Except for Dato' Ng Tian Sang @ Ng Kek Chuan who is the Chairman & CEO of the Company and substantial shareholder of the Company, the Lenders have signed a letter, confirming that they are independent and unrelated to the Company, save that (a) Yap Mee Lee has shares in the Company, comprising less than 5% of the share capital of the Company and is a director of Albedo Corporation Pte Ltd, a wholly-owned subsidiary of the Company, (b) Lee Heuk Ping has shares in the Company, comprising less than 5% of the share capital of the Company and (c) Gouthaman s/o Jayaram is a director of Natasha Beverly Sdn Bhd, which is a subsidiary of the Company. Additionally, the Chairman & CEO has signed a letter of declaration dated 22 August 2022 and letter of agreement dated 22 August 2022 that he will enter into a loan agreement by 24 November 2022 to provide a loan of an aggregate amount of S\$300,000 to the Company by 28 February 2023 if the Company is unable to secure any other lenders for such sum.
- (iii) On 24 August 2022, the Company has also entered into a service agreement with Beverly Wilshire Medical Centre Sdn Bhd, Beverly Wilshire Medical Centre (JB) Sdn Bhd, Beverly Wilshire Tropicana City Mall Sdn Bhd, Beverly Wilshire Aesthetic Dental Centre Sdn Bhd, Beverly Ipoh Sdn. Bhd, Beverly Dentistree Sdn. Bhd, Natasha Beverly Sdn. Bhd, Natasha Beverly Dental Sdn. Bhd, Natasha Beverly Mizu Sdn. Bhd and Natasha Beverly Aesthetics Sdn. Bhd. ("**BW Malaysia Entities**"), pursuant to which the BW Malaysia Entities will pay an aggregate of S\$300,000 as service fees for the management services provided by the Company to the BW Malaysia Entities for the period from July 2022 to December 2023 and such service fees will be payable regardless of whether the BW Malaysia Entities are profitable or loss-making. The provision of management services by the Company to the BW Malaysia Entities constitutes an interested person transaction under Chapter 9 of the Listing Rules and is subject to shareholders' approval at an extraordinary general meeting to be convened by the Company. In the event that the provision of management services by the Company to the BW Malaysia Entities is not approved by shareholders, Dato' Ng Tian Sang @ Ng Kek Chuan will provide financial support for any shortfall requirements in working capital pursuant to his financial support undertaking referred to in sub-paragraph (i) above.

2.3 Going concern (cont'd)

- (iv) The BW Malaysia Entities have on 17 August 2022 confirmed in writing to the Company that they do not require any additional funding from the Company to continue its operations for the next 18 months.
- (v) Better financial performance from aesthetic medical and healthcare segment in Malaysia which is expected to continue.

The Beverly Wilshire group of companies in Malaysia which contributed about 96% of the Group's revenue has turned around despite challenges of operating under Covid-19 restrictions, with its best financial performance since inception of business operations in 2012. The Group's revenue for aesthetic medical and healthcare segment has increased by 27% from S\$2.033 million in 2Q FY2021 to S\$2.574 million in 2Q FY2022.

The newly incorporated entities in FY2020 and FY2021, namely Natasha Beverly Sdn Bhd, Beverly Ipoh Sdn Bhd, Natasha Beverly Aesthetics Sdn Bhd, Natasha Beverly Dental Sdn Bhd, Beverly Dentistree Sdn Bhd and Natasha Beverly Mizu Sdn Bhd contributed an aggregate of S\$0.402 million of revenue to the Group in 2Q FY2022, an 154% increase as compared to S\$0.158 million in 2Q FY2021. These are organic growth entities and are expected to generate higher revenue within the next 12 months.

The above was achieved with the domestic market alone due to the border closure measures undertaken by the Malaysia government during the Covid-19 pandemic. The historical track records have shown that the Beverly Wilshire group of companies' overseas business contribution to the total revenue of the Group constitutes approximately 40% to 45%. With Malaysia opening its door to tourism on 1 April 2022, after more than two years of closure due to the Covid-19 pandemic, the Group is cautiously optimistic that the influx of foreign customers into Malaysia will further increase its revenue and improve its financial results going forward.

The Beverly Wilshire group of companies in Malaysia have improved its performance both in revenue, cashflows and profitability quarter by quarter and year on year as shown in our 2Q FY2022 results.

Additionally, the Company is intending to make further acquisitions which, if and when completed, are expected to generate additional revenue for the Group and to support the Group's cashflow and to ensure that the Group is able to continue to operate as a going concern.

- (vi) Subject to the necessary approvals being obtained from shareholders and/or the SGX-ST, the Company also intends to raise funds of about S\$2 million or more via future fund-raising exercises, and the Company intends to allocate at least 50% of the gross proceeds raised to make profitable acquisitions.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period reported on.

4. Segment and revenue information

The Group is organised into three reportable segments as described below, which are the Group's strategic business units. The strategic business units offer different services, and are managed separately because they require different marketing strategies. For each of the strategic business units, the Board of Directors reviews the internal management reports on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Aesthetic medical and healthcare:	Provision of aesthetic medical services includes the provision of aesthetic medical, beauty and wellness services.
Trading and distribution:	Trading and distribution of steel raw materials, consumables, instruments and semi-finished products for steel mills, iron and steel foundries and aluminum smelters in the Asia-Pacific region and provision of ancillary services.
Investment and others:	Business of investment holding, provision of management services and provision of marketing, distribution and related services.

4.1 Reportable Segments

Segment revenue and results

Group	Aesthetic medical and healthcare	Trading and distribution	Investment and others	Total
	S\$'000	S\$'000	S\$'000	S\$'000
6 months ended 30 June 2022				
Segment revenue				
- External parties	<u>4,679</u>	<u>214</u>	<u>-</u>	<u>4,893</u>
Gross profit	<u>2,602</u>	<u>7</u>	<u>-</u>	<u>2,609</u>
Other income	<u>70</u>	<u>.*</u>	<u>.*</u>	<u>70</u>
Expenses				
- Distribution	<u>(58)</u>	<u>(44)</u>	<u>-</u>	<u>(102)</u>
- Administrative	<u>(2,959)</u>	<u>(38)</u>	<u>(983)</u>	<u>(3,980)</u>
- Finance	<u>(82)</u>	<u>.*</u>	<u>(5)</u>	<u>(87)</u>
Loss before income tax	<u>(427)</u>	<u>(75)</u>	<u>(988)</u>	<u>(1,490)</u>
Income tax credit	<u>88</u>	<u>-</u>	<u>-</u>	<u>88</u>
Loss for the financial period	<u>(339)</u>	<u>(75)</u>	<u>(988)</u>	<u>(1,402)</u>

* Less than S\$1,000

	Aesthetic medical and healthcare	Trading and distribution	Investment and others	Total
	S\$'000	S\$'000	S\$'000	S\$'000
6 months ended 30 June 2021				
Segment revenue				
- External parties	3,828	173	-	4,001
Gross profit	1,900	9	-	1,909
Other income	264	9	25	298
Expenses				
- Distribution	(162)	(43)	-	(205)
- Administrative	(2,587)	(36)	(970)	(3,593)
- Finance	(155)	(1)	(7)	(163)
Loss before income tax	(740)	(62)	(952)	(1,754)
Income tax credit	79	-	-	79
Loss for the financial period	(661)	(62)	(952)	(1,675)

Segment Assets and Liabilities

Group	Aesthetic medical and healthcare	Trading and distribution	Investment and others	Total
	S\$'000	S\$'000	S\$'000	S\$'000
As at 30 June 2022				
<u>Assets and liabilities</u>				
Segment and consolidated total assets	6,833	118	945	7,896
Consolidated total assets				7,896
Segment and consolidated total liabilities	6,180	131	1,944	8,255
Consolidated total liabilities				8,255

	Aesthetic medical and healthcare	Trading and distribution	Investment and others	Total
	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 Dec 2021				
<u>Assets and liabilities</u>				
Segment and consolidated total assets	7,794	98	424	<u>8,316</u>
Consolidated total assets				<u><u>8,316</u></u>
Segment and consolidated total liabilities	6,821	24	1,424	<u>8,269</u>
Consolidated total liabilities				<u><u>8,269</u></u>

4.2 Disaggregation of revenue

	Group			
	3 months ended		6 months ended	
	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021
	S\$'000	S\$'000	S\$'000	S\$'000
At a point in time				
Aesthetic medical and healthcare				
- Malaysia	2,574	2,033	4,679	3,828
Trading and distribution				
- Singapore	<u>116</u>	<u>98</u>	<u>214</u>	<u>173</u>
	<u><u>2,690</u></u>	<u><u>2,131</u></u>	<u><u>4,893</u></u>	<u><u>4,001</u></u>

5. Financial instruments

The following table sets out the financial assets and liabilities as at the end of the reporting period:

	Group		Company	
	As at 30 Jun 2022	As at 31 Dec 2021	As at 30 Jun 2022	As at 31 Dec 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Amortised cost	<u>2,032</u>	<u>1,620</u>	<u>987</u>	<u>888</u>
Financial liabilities				
Amortised cost	<u>6,172</u>	<u>5,750</u>	<u>2,634</u>	<u>2,045</u>
Lease liabilities	<u>1,911</u>	<u>2,259</u>	<u>58</u>	<u>124</u>

6. Profit before taxation

6.1 Significant items

	Group			
	3 months ended		6 months ended	
	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Income</u>				
Rental income	3	8	5	23
Rental rebates	8	-	8	-
Share services fee income – related party	5	11	10	23
Share services fee income – third party	10	-	15	-
Vaccination fee income	-	-*	16	-*
Gain due to modification of lease	-	143	-	143
Government grants	-	18	-	56
<u>Expenses</u>				
Depreciation of property, plant and equipment	(377)	(241)	(766)	(740)
Amortisation of intangible assets	(97)	(97)	(193)	(193)
Interest expenses	(52)	(114)	(87)	(163)

* Less than S\$1,000

6.2 Related party transactions

In addition to the information disclosed elsewhere in the condensed interim financial statements, the following transactions were carried out with related parties in the normal course of business on terms agreed between the parties:

Sales and purchases of goods and services

	Group			
	3 months ended		6 months ended	
	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Sales of products	29	21	45	39
Support services income	5	11	10	23
Purchase of products	-	4	-	21
Administrative expenses	-	-	-	3
Finance expenses	-	*	-	1
	34	36	55	87

* Less than S\$1,000

7. Taxation

The Group calculates income tax expense for the financial period using the tax rates prevailing in the relevant jurisdiction. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group			
	3 months ended		6 months ended	
	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Deferred income tax	44	10	88	79
	44	10	88	79

8. Trade and other receivables

	Group		Company	
	As at 30 Jun 2022 S\$'000	As at 31 Dec 2021 S\$'000	As at 30 Jun 2022 S\$'000	As at 31 Dec 2021 S\$'000
Trade receivables				
- Non-related parties	277	241	-	-
- Related parties	4	5	-	-
	<u>281</u>	<u>246</u>		
Less: Loss allowance	(42)	(42)	-	-
	<u>239</u>	<u>204</u>	<u>-</u>	<u>-</u>
Other receivables				
- Subsidiaries	-	-	699	643
- Related parties	35	20	15	-
- Non-related parties	139	95	22	17
	<u>174</u>	<u>115</u>	<u>736</u>	<u>660</u>
Deposits	400	388	36	36
Prepayments	237	217	31	43
	<u>1,050</u>	<u>924</u>	<u>803</u>	<u>739</u>

9. Settlement shares and warrants receivables

During the financial year ended 31 December 2020, the Directors of the Company approved the plan to unwind the acquisition of Brand X Lab Pte Ltd (“**Brand X**”). Subsequently, on 16 February 2021, the Company entered into an unwinding and settlement agreement (the “**Agreement**”) with Tan Suying (“**TSY**”) in respect of the mutual agreement by TSY and the Company to unwind the acquisition of Brand X.

On 18 January 2022, TSY and the Company entered into a supplemental agreement (the “**Supplemental Agreement**”) to amend, modify and vary the terms and provisions of the Agreement. The key modifications to the Agreement are summarised below:

- TSY to refrain from exercising the voting rights and transfer of the consideration shares and warrants that she received from the acquisition;
- The methods for unwinding of the acquisition shall be by way of capital reduction pursuant to Division 3A (Part IV) of the Companies Act, and subject always to due compliance with and observation of the applicable provisions of the Catalist Rules of the SGX-ST and the Constitution of the Company which shall result in the cancellation of the 1,583,333,333 ordinary shares of the Company held by TSY as part of the consideration for the disposal and transfer of the 100,000 ordinary shares of Brand X to TSY. Selective off-market share buy-back as a method of unwinding of the acquisition was removed;
- TSY and the Company shall endeavor to complete the unwinding of the acquisition by no later than 31 August 2022 and if this is not achieved, both parties shall provide assistance for completion as soon as possible without any limit in time;
- The mutual agreement to unwind the acquisition is irrevocable and neither TSY nor the Company shall be entitled or have the right to terminate the Agreement and the unwinding of the acquisition; and
- The date of effective transfer of any and all rights and entitlements as well as any and all obligations attached to the 100,000 ordinary shares of Brand X, being the sale shares, shall remain 1 January 2021 or such earliest date permissible under applicable laws and regulations as well as the financial reporting standards.

9. Settlement shares and warrants receivables (cont'd)

Accordingly, Brand X is de-consolidated from 1 January 2021. The fair value of the consideration receivable for the unwinding of Brand X amounting to S\$3,557,000 is classified as "Settlement shares and warrants receivables" on the Company and Group's balance sheet on 1 January 2021 and as at 31 December 2021 and 30 June 2022.

10. Investment in subsidiaries

	Company	
	As at 30 Jun 2022	As at 31 Dec 2021
	S\$'000	S\$'000
Unquoted equity shares, at cost	2,417	2,417

Details of the Group's subsidiaries are as follows:

Name of subsidiary	Principal activities	Country of incorporation and operation	Effective equity interest of the Group	
			As at 30 Jun 2022	As at 31 Dec 2021
			%	%
Albedo Corporation Pte. Ltd.	To carry on the business of general merchants, importers, exporters, commission agents and dealers in raw materials, consumables, instruments and semi-finished products for steel mills, iron and steel foundries and aluminium smelters in the Asia- Pacific region	Singapore	100	100
JCG-Beverly Pte. Ltd.	Investment holding and provision of management services	Singapore	100	100
Beverly Wilshire Medical Centre Sdn. Bhd.	Provision of cosmetic and plastic surgery, health screening and as medical specialist centre with out-patient and day care services and activities	Malaysia	51	51
Beverly Wilshire Medical Centre (JB) Sdn. Bhd.	Provision of aesthetic and cosmetic surgery and reconstructive surgery	Malaysia	51	51
Beverly Wilshire Tropicana City Mall Sdn. Bhd.	Provision of cosmetological and aesthetical related treatments	Malaysia	51	51
Beverly Wilshire Aesthetic Dental Centre Sdn. Bhd	Provision of aesthetic dental care	Malaysia	51	51

10. Investment in subsidiaries (cont'd)

Name of subsidiary	Principal activities	Country of incorporation and operation	Effective equity interest of the Group	
			As at 30 Jun 2022	As at 31 Dec 2021
			%	%
Beverly Wilshire Hair Transplant Sdn. Bhd.	Provision of hair transplant care	Malaysia	51	51
Beverly Dentistree Sdn. Bhd.	Provision of aesthetic dental care	Malaysia	70	70
Beverly Wilshire Medical Academy and Research Centre Sdn. Bhd.	Provision of aesthetic, cosmetic and plastic surgery, healthy aging therapy, health screening and wellness and medical research	Malaysia	69	69
Natasha Beverly Sdn. Bhd.	Provision of physiotherapy, spa, reflexology services and activities	Malaysia	56	56
Beverly Ipoh Sdn. Bhd.	Provision of aesthetic medicine and related activities	Malaysia	70	70
Beverly Wilshire Cosmetic Surgery Centre Sdn. Bhd.	Provision of cosmetic and plastic surgery treatment and services	Malaysia	51	51
Natasha Beverly Dental Sdn. Bhd.	Provision of aesthetic dental services	Malaysia	39	39
Natasha Beverly Mizu Sdn. Bhd.	Provision of healthy aging, regenerative medicine, health screening services and medical spa procedures	Malaysia	39	39
Natasha Beverly Aesthetics Sdn. Bhd.	Provision of aesthetic medicine and related activities	Malaysia	31	31

11. Property, plant and equipment

During the six-months ended 30 June 2022, the Group acquired property, plant and equipment amounting to S\$145,000 (30 June 2021: S\$507,000) and disposed of assets amounting to S\$Nil (30 June 2021: Nil).

12. Intangible assets

	Group	
	As at	As at
	30 Jun 2022	31 Dec 2021
	S\$'000	S\$'000
Goodwill arising on consolidation	664	664
Trademark/brand	197	390
	861	1,054

13. Trade and other payables

	Group		Company	
	As at	As at	As at	As at
	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables				
- Non-related parties	249	240	-	-
Other payables				
- Non-related parties ⁽¹⁾	1,922	1,025	1,496	438
- Related parties	258	209	-	-
Advances received	1,400	1,641	-	-
Accruals for operating expenses	817	1,356	325	807
	4,646	4,471	1,821	1,245

⁽¹⁾ Included in other payables to non-related parties for the Group and the Company as at 30 June 2022 is the proceeds from share subscription agreements signed in April 2022 amounting to S\$735,000 of which S\$525,000 have been converted to advances as per our announcement dated 26 June 2022 (31 December 2021: S\$ Nil).

14. Borrowings

	Group		Company	
	As at 30 Jun 2022 S\$'000	As at 31 Dec 2021 S\$'000	As at 30 Jun 2022 S\$'000	As at 31 Dec 2021 S\$'000
(a) Lease liabilities				
Current	359	616	58	124
Non-current	1,552	1,643	-	-
	<u>1,911</u>	<u>2,259</u>	<u>58</u>	<u>124</u>
(b) Borrowings				
Current				
Borrowings				
- Loan 1	-	-	813	800
- Loan 2	116	-	-	-
- Loan 3	418	428	-	-
Bank overdraft	280	-	-	-
Invoice financing	408	552	-	-
	<u>1,222</u>	<u>980</u>	<u>813</u>	<u>800</u>
Non-current				
Borrowings				
- Loan 3	304	299	-	-
	<u>304</u>	<u>299</u>	<u>-</u>	<u>-</u>
Total	<u>1,526</u>	<u>1,279</u>	<u>813</u>	<u>800</u>
Total borrowings	<u>3,437</u>	<u>3,538</u>	<u>871</u>	<u>924</u>

Borrowings (current) refers to amounts repayable in one year or less. Borrowings (non-current) refers to amounts repayable after 1 year.

- (i) Loan 1 from subsidiary corporation, Albedo Corporation Pte Ltd, is unsecured, interest-free with no fixed repayment terms.
- (ii) Loan 2 from a director of subsidiary corporation, Albedo Corporation Pte Ltd. The loan bears an interest rate of 6.00% per annum is unsecured and repayable in August 2022 upon collection from customer.
- (iii) Loan 3 is from United Overseas Bank (Malaysia) Berhad. The bank facility is secured by a corporate guarantee from the Company and personal guarantees by certain directors of the Company. The loan bears an interest rate of 1.50% per annum over the bank's prevailing 1-month effective cost of funds on monthly rests.
- (iv) Bank overdraft is from United Overseas Bank (Malaysia) Berhad. The bank facility is secured by a corporate guarantee from the Company and personal guarantees by certain directors of the Company. The bank overdraft bears an interest rate of 0.75% per annum over the bank's base lending rate on daily rests.
- (v) Invoice financing is from United Overseas Bank (Malaysia) Berhad. The invoicing financing facility is secured by a corporate guarantee from the Company and personal guarantees by certain directors of the Company. The invoice financing bears an interest rate of 0.75% per annum over the bank's base lending rate.

15. Share capital

	Group and Company			
	As at 30 Jun 2022	As at 31 Dec 2021	As at 30 Jun 2022	As at 31 Dec 2021
	No. of ordinary shares		S\$'000	
	'000	'000	S\$'000	S\$'000
<u>Issued and paid up</u>				
At beginning of financial period	18,662,716	15,814,936	72,994	71,623
Shares issued pursuant to: -				
Share subscription	630,000⁽¹⁾	735,000 ⁽³⁾	600	658
Share issuance for part payment of employees' and directors' salaries	388,696⁽²⁾	-	388	-
Rights issue	-	2,112,780	-	1,882
Warrants adjustments	-	-	-	(1,169)
End of financial period	19,681,412	18,662,716	73,982	72,994

⁽¹⁾ On 10 March 2022, the Company completed the allotment and issuance of 630,000,000 shares at an issue price of S\$0.001 per share and 210,000,000 warrants pursuant to a deed poll executed by the Company on 10 March 202, each convertible into one share at an exercise price of S\$0.001 per warrant.

⁽²⁾ On 4 April 2022, the Company completed the allotment and issuance of an aggregate of 388,696,000 shares at an issue price of S\$0.001 per share pursuant to part payment of employees' and directors' salaries in shares in lieu of cash.

⁽³⁾ On 9 December 2021, the Company completed the allotment and issuance of 735,000,000 shares at an issue price of S\$0.001 per share and 245,000,000 warrants pursuant to a deed poll executed by the Company on 6 December 2021, each convertible into one share at an exercise price of S\$0.001 per warrant.

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

16. Events occurring after balance sheet date

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

F. OTHER INFORMATION PURSUANT TO APPENDIX 7C OF THE CATALIST RULES

- 1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed by the Company's auditors.

- 2. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of matter)**

Not applicable.

- 3. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

- (a) updates on the efforts taken to resolve each outstanding audit issue; and**
(b) confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

The latest financial statements of the Group for the financial year ended 31 December 2021 was subject to a disclaimer opinion.

The board would like to update on the efforts to resolve the outstanding audit issue as follows:

Opening balances and comparative figures - Assets, liabilities and results of the Group's aesthetic business in Taiwan

The audit opinion on the consolidated financial statements of the Group for the financial year ended 31 December 2020, which form the basis for the comparative figures presented in the consolidated financial statements for the financial year ended 31 December 2021, was disclaimed by the predecessor auditor, and one of the basis for disclaimer of opinion was the assets, liabilities and results of the Group's aesthetic business in Taiwan.

Notwithstanding that the disposal of the Group's aesthetic business in Taiwan had been completed during the financial year ended 31 December 2021, the matters which resulted in the disclaimer of opinion remain unresolved with respect to the opening balances of the Group as at 1 January 2021. In view of that, the Auditors were unable to determine whether adjustments to the opening balances of the Group as at 1 January 2021 might have been necessary. In addition, since opening balances enter into the determination of the financial performance, changes in equity and cash flows for the financial year ended 31 December 2021, the Auditors were unable to determine whether adjustments might have been necessary in respect of the loss, changes in equity and cash flows of the Group for the financial year ended 31 December 2021.

The Auditor's opinion on the financial statements for the financial year ended 31 December 2021 is also disclaimed because of the possible effects of this matter on the comparability of the figures for the financial year ended 31 December 2021 and the comparative figures.

Board's Responses

On 13 May 2020, the Company entered into a deed of settlement with Dr Chung Yih-Chen in relation to the termination of the joint venture in respect of iMyth Taiwan Limited ("iMyth Taiwan"). Accordingly, the net assets and liabilities of iMyth Taiwan were reclassified as disposal group held-for-sale in accordance with SFRS(I) 5 Non-current Asset Held for Sale and Discontinued Operations and the carrying amounts were written down to US\$1, being the consideration for the disposal. The results of iMyth Taiwan during the financial year ended 31 December 2020 was also presented as discontinued operations. Pursuant to the deed of settlement, China iMyth had on 26 March 2021, completed the disposal of its 100% shareholding interest in iMyth Taiwan to Lin Hongtu, a nominee of Dr Chung Yih-Chen.

The Board confirms that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in item 5 below, the accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements for the financial year ended 31 December 2021.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

For the current reporting period new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below.

Effective for the Group's annual periods beginning on or after 1 January 2022

- Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current
- Amendments to SFRS(I) 1-8 Definition of Accounting Estimates
- Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies
- Annual Improvements to SFRS(I) Standards 2018-2020
- Amendments to SFRS(I) 1-16 Property, Plant and Equipment: Proceeds before Intended Use
- Amendments to SFRS(I) 3 Business Combinations: Reference to the Conceptual Framework
- Amendments to SFRS(I) 16 Leases: Covid-19 Related Rent Concessions beyond 30 June 2021
- Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Group does not expect any significant impact arising from the adoption of the above amendments to SFRS(I)s.

6. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year**

	Group		Company	
	As at 30 Jun 2022	As at 31 Dec 2021	As at 30 Jun 2022	As at 31 Dec 2021
Net asset value per ordinary share (cents)	-*	-*	0.01	0.01
Net assets/(liabilities) (S\$'000)	(359)	47	1,337	1,314
Number of ordinary shares used ('000)	19,681,412	18,662,715	19,681,412	18,662,715

* Less than 0.01 cent

7. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends (a) based on the weighted average number of ordinary shares on issue and (b) on a fully diluted basis detailing any adjustments made to the earnings.**

	Group			
	3 months ended		6 months ended	
	30 Jun 2022	30 Jun 2021	30 Jun 2022	30 Jun 2021
Loss attributable to equity holders of the Company (S\$'000)	601	606	1,236	1,333
Weighted average number of ordinary shares ('000)	19,245,009	16,153,447	19,245,009	16,153,447
Loss per share (basic and diluted) (cents)	(0.003)	(0.004)	(0.006)	(0.008)

The basic and diluted loss per share are the same as there were no potentially dilutive ordinary shares in issue as at 30 June 2022 and 30 June 2021.

The outstanding warrants and options were not included in the computation of the diluted loss per share as their effect would have been anti-dilutive.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

REVIEW OF GROUP'S FINANCIAL PERFORMANCE

Revenue

	Group			
	2Q FY2022	2Q FY2021	Variance	
	S\$'000	S\$'000	S\$'000	%
Aesthetics medical and healthcare	2,574	2,033	541	27%
Trading and distribution	116	98	18	18%
Total	2,690	2,131	559	26%

The Group registered a revenue of S\$2.690 million for the second quarter ended 30 June 2022 ("2Q FY2022"), an increase of S\$0.559 million, or 26%, compared with the S\$2.131 million recorded for the corresponding quarter ended 30 June 2021 ("2Q FY2021").

The increase in the Group's revenue was mainly attributed to the increase in contribution from its aesthetics medical and healthcare segment of S\$0.541 million, or 27%, as a result of increased marketing efforts such as the 10th Anniversary Promotions Premium Beauty Programme as well as contribution by new entities incorporated in year 2020 and 2021.

The newly incorporated entities in FY2020 and FY2021, namely Natasha Beverly Sdn Bhd, Beverly Ipoh Sdn Bhd, Natasha Beverly Dental Sdn Bhd, Natasha Beverly Aesthetics Sdn Bhd, Natasha Beverly Mizu Sdn Bhd and Beverly Dentistree Sdn Bhd contributed an aggregate of S\$0.402 million of revenue to the Group in 2Q FY2022, an 154% increase as compared to S\$0.158 million in 2Q FY2021.

Revenue from the Group's trading and distribution segment for the second quarter ended 30 June 2022 was S\$0.116 million, an increase of S\$0.018 million or 18% compared with the S\$0.098 million recorded for 2Q FY2021.

Cost of sales increased by S\$0.172 million, or 16% from S\$1.103 million in 2Q FY2021 to S\$1.275 million in 2Q FY2022, in tandem with the increase in revenue.

Gross profit increased by S\$0.387 million, or 38% from S\$1.028 million in 2Q FY2021 to S\$1.415 million in 2Q FY2022, mainly due to the increase in gross profit from the aesthetics medical and healthcare segment.

Other income decreased by S\$0.202 million, or 87% from S\$0.233 million in 2Q FY2021 to S\$0.031 million in 2Q FY2022, mainly due to the absence of gain from modification of lease and government grants received under the jobs support scheme.

Selling and distribution expenses decreased by S\$0.054 million, or 56% from S\$0.096 in 2Q FY2021 to S\$0.042 million in 2Q FY2022, mainly due to fewer marketing activities in 2Q FY2022.

Administrative expenses increased by S\$0.263 million, or 15% from S\$1.763 million in 2Q FY2021 to S\$2.026 million in 2Q FY2022, in tandem with the increase in revenue. The administrative expenses incurred during 2Q FY2022 are mainly operational costs, including staff costs, directors' remunerations and professional fees.

Depreciation of property, plant and equipment increased by S\$0.136 million or 56% from S\$0.241 million in 2Q FY2021 to S\$0.377 million in 2Q FY2022 mainly due to additions of property, plant and equipment comprising primarily medical equipment and computer hardware and software.

Finance expenses decreased by S\$0.062 million, or 54% from S\$0.114 million in 2Q FY2021 to S\$0.052 million in 2Q FY2022, mainly due to lower interest expenses incurred for lease liabilities.

Income tax credit increased by S\$0.034 million, or 340% from S\$0.010 million in 2Q FY2021 to S\$0.044 million in 2Q FY2022, mainly due to income tax credit arising from deferred tax liabilities from fair value adjustments to intangible assets and property, plant and equipment in Beverly Wilshire Medical Centre Group.

REVIEW OF GROUP'S FINANCIAL POSITION

Current assets increased by 22%, from S\$2.244 million as at 31 December 2021 to S\$2.739 million as at 30 June 2022, mainly due to the increase in cash and cash equivalents, trade and other receivables and inventories.

Cash and cash equivalents increased by 34%, from S\$0.913 million as at 31 December 2021 to S\$1.219 million as at 30 June 2022, mainly due to the proceeds from the Proposed April 2022 Subscriptions of S\$0.735 million.

Trade and other receivables increased by 14%, from S\$0.924 million as at 31 December 2021 to S\$1.050 million as at 30 June 2022, in tandem with the increase in revenue.

Inventories increased by 15%, from S\$0.407 million as at 31 December 2021 to S\$0.470 million as at 30 June 2022, in tandem with the increase in revenue.

Non-current assets decreased by 15%, from S\$6.072 million as at 31 December 2021 to S\$5.157 million as at 30 June 2022, mainly due to the decrease in property, plant and equipment and intangible assets.

Property, plant and equipment decreased by 14%, from S\$5.018 million as at 31 December 2021 to S\$4.296 million as at 30 June 2022, mainly due to depreciation in 2Q FY2022, partially offset by additions of property, plant and equipment.

Intangible assets decreased by 18%, from S\$1.054 million as at 31 December 2021 to S\$0.861 million as at 30 June 2022, mainly due to amortisation of intangible assets in 2Q FY2022.

Current liabilities increased by 3%, from S\$6.085 million as at 31 December 2021 to S\$6.245 million as at 30 June 2022. The increase was mainly due to an increase in (i) trade and other payables of S\$0.175 million mainly due to increase in other payables of S\$0.946 million, offset by decrease in advances received from customers of S\$0.241 million and decrease in accrued expenses of S\$0.539 million; (ii) increase in borrowings of S\$0.242 million, mainly due to increase in bank overdraft of S\$0.280 million and loan from a director of a subsidiary corporation of S\$0.116 million, partially offset by decrease in invoice financing of S\$0.144 million and ; and (iii) partially decrease in lease liabilities of S\$0.257 million during the financial period ended 30 June 2022.

Non-current liabilities decreased by 8%, from S\$2.184 million as at 31 December 2021 to S\$2.010 million as at 30 June 2022 mainly due to decrease in lease liabilities of S\$0.091 million and deferred income tax liabilities of S\$0.088 million due to recognition of deferred tax credit in the income statement for the financial period ended 30 June 2022 arising from fair value adjustments to intangible assets and property, plant and equipment.

As at 30 June 2022, the Group's total liabilities exceeded its total assets by S\$0.359 million and the Group has a negative working capital of S\$3.506 million. Notwithstanding this, the Board and management are of the view that the Group is able to continue as a going concern. Refer to Section E item 2.3 of this announcement for further details.

REVIEW OF GROUP'S CASH FLOWS

Net cash from operating activities in 2Q FY2022 amounted to S\$0.156 million due to operating cashflows before movements in working capital of S\$0.075 million, adjusted for net cash inflows from working capital changes of S\$0.231 million.

Net cash inflows from working capital of S\$0.231 million was a result of increase in trade and other payables of S\$0.366 million, offset by an increase in trade and other receivables of S\$0.106 million and increase in inventories of S\$0.029 million.

Net cash used in investing activities amounted to S\$0.023 million, mainly due to the purchase of medical equipment, computer hardware and software.

Net cash from financing activities amounted to S\$0.211 million, mainly due to proceeds from advances of S\$0.525 million and proceeds from borrowings of S\$0.116 million, and offset by repayment of lease liabilities of S\$0.273 million and repayment of borrowings of S\$0.136 million.

Consequently, overall cash and cash equivalents increased by S\$0.344 million to S\$0.939 million in 2Q FY2022.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

The following events are expected to positively impact the Group in the next reporting period and the next 12 months:

The Beverly Wilshire group of companies in Malaysia which contributed about 96% of the Group's revenue has turned around despite challenges of operating under Covid-19 restrictions, with its best financial performance since inception of business operations in 2012. The Group's revenue for aesthetic medical and healthcare segment has increased by 27% from S\$2.033 million in 2Q FY2021 to S\$2.574 million in 2Q FY2022.

The newly incorporated entities in FY2020 and FY2021, namely Natasha Beverly Sdn Bhd, Beverly Ipoh Sdn Bhd, Natasha Beverly Aesthetics Sdn Bhd, Natasha Beverly Dental Sdn Bhd, Beverly Dentistree Sdn Bhd and Natasha Beverly Mizu Sdn Bhd contributed an aggregate of S\$0.402 million of revenue to the Group in 2Q FY2022, an 154% increase as compared to S\$0.158 million in 2Q FY2021. These are organic growth entities and are expected to generate higher revenue within the next 12 months.

This was achieved with the domestic market alone due to the border closure measures undertaken by the Malaysia government during the Covid-19 pandemic.

The historical track records have shown that the Beverly Wilshire group of companies' overseas business contribution to the total revenue of the Group constitutes approximately 40% to 45%. With Malaysia opening its door to tourism on 1 April 2022, after more than two years of closure due to the Covid-19 pandemic, the Group is cautiously optimistic that the influx of foreign customers into Malaysia will further increase its revenue and improve its financial results going forward.

11. Dividend

If a decision regarding dividend has been made: -

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been declared or recommended for the current financial period.

(b)(i) Amount per share (cents)

Not applicable

(b)(ii) Previous corresponding period (cents)

Not applicable

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable

(d) The date the dividend is payable.

Not applicable

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the financial period ended 30 June 2022 in view of the Group's operational and financial cash needs.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for Interested Person Transactions.

Beverly Bangsar Sdn Bhd ("Beverly Bangsar") is a company incorporated in Malaysia and its principal business is the operation of an aesthetic clinic. Our Executive Chairman and CEO, Dato' Ng Tian Sang @ Ng Kek Chuan, and his two sons, Executive Director, Howard Ng How Er, and Alexander Ng Zhonglie together hold 63% shareholding in Beverly Bangsar. Howard Ng How Er and Alexander Ng Zhonglie are also directors of Beverly Bangsar. Accordingly, Beverly Bangsar is an interested person as defined under Chapter 9 of the Catalist Rules and all transactions entered between the Group and Beverly Bangsar constitute interested person transactions ("IPTs") under Chapter 9 of the Catalist Rules.

The Group entered into the following IPTs with Beverly Bangsar during the six-month period from 1 January 2022 to 30 June 2022:

	IPTs		Total
	Sales ⁽¹⁾	Support Services Income ⁽²⁾	
	S\$'000	S\$'000	S\$'000
Beverly Wilshire Medical Centre Sdn. Bhd. (“ BWKL ”)	45	6	51
Natasha Beverly Sdn. Bhd. (“ NBSB ”)	-	4	4
Total	45	10	55

(1) Sales – BWKL had sold aesthetic medical products to Beverly Bangsar at cost price. The reason for the arrangement to resell to Beverly Bangsar at cost price is to capitalize on the cost savings when purchasing the products from external suppliers in bulk as well as better inventory management by purchasing from BWKL which has the existing stock on hand. BWKL is a 51% subsidiary of the Group.

(2) Support Services Income – BWKL and NBSB had provided support services including accounting and marketing services to Beverly Bangsar as Beverly Bangsar does not have an in-house accounting or marketing team. The costs incurred are charged out at a mutually agreed fixed rate on a cost-plus basis. NBSB is a 56% subsidiary of the Group.

Nine sales transactions entered into between the Group and Beverly Bangsar for the financial period ended 30 June 2022 amounted to approximately \$9,000, \$4,000, \$3,000, \$2,000, \$2,000, \$2,000, \$2,000, \$2,000 and \$2,000 representing 19.1%, 8.5%, 6.4%, 4.3%, 4.3%, 4.3%, 4.3%, 4.3% and 4.3% of the Group’s latest audited net tangible assets as at 31 December 2021 of S\$47,000 respectively, which is above the relevant threshold of 3.0% under Rule 905(1) of the Catalist Rules.

The aggregate value of all transactions (including transactions that are less than S\$100,000¹) entered into between the Group and Beverly Bangsar for the financial period ended 30 June 2022 amounted to approximately S\$55,000. This represents 117.0.% of the Group’s latest audited net tangible assets as at 31 December 2021 of S\$47,000, which is above the relevant threshold of 3.0% under Rule 905(2) of the Catalist Rules.

However, as the transactions on an individual or aggregated basis are below S\$100,000, Rule 905(1) and Rule 905(2) do not apply.

Other than the above, the Group did not enter into any IPT of S\$100,000 or more in value per transaction or in aggregate for the financial period ended 30 June 2022.

¹ The transfer of 53,580 shares in Beverly Wilshire Aesthetic Dental Sdn Bhd from JCG-Beverly Pte Ltd (“JCG-Beverly”) to Howard Ng How Er, an Executive Director of the Company (to hold in trust for JCG-Beverly) on 21 April 2022 as an Interested Person Transaction that has nil value at risk.

14. Updates on use of proceeds

(i) March 2022 Subscriptions

	Amount allocated	Percentage allocated	Amount utilized as at the date of this announcement	Balance of net proceeds as at the date of this announcement
	S\$'000	%	S\$'000	S\$'000
For the future expansion of the Group, including but not limited to mergers with and acquisitions of similar businesses	60	10	38	22
Reduction of debts and liabilities	195	33	195	-
Working capital purposes	345	57	345	-
Total	600	100	578	22

The amount utilized for reduction of debts and liabilities was for repayment of outstanding payables for working capital amounting to S\$195,000 which comprised (i) partial FY2021 audit fees amounting to S\$125,000; and (ii) outstanding directors' fees for the financial year ended 31 December 2021 amounting to S\$70,000.

The amount utilized for working capital was S\$345,000 and was used to pay for (i) salaries amounting to S\$235,000; (ii) rental expenses amounting to S\$50,000; (iii) partial FY2021 audit fees amounting to S\$18,000 (iv) additional listing fees to SGX amounting to S\$9,000; and (v) other operating expenses amounting to S\$33,000.

The above utilisation is in accordance with the intended use of proceeds as stated in the Company's announcement dated 17 May 2022.

No further proceeds from the March 2022 Subscriptions have been raised as the warrants have not been exercised.

(ii) Proposed April 2022 Subscriptions converted to advances as announced on 26 June 2022

	Amount allocated S\$'000	Percentage allocated %	Amount utilized as at the date of this announcement S\$'000	Balance of net proceeds as at the date of this announcement S\$'000
For the future expansion of the Group, including but not limited to mergers with and acquisitions of similar businesses	79	15	-	79
Reduction of debts and liabilities	79	15	(52)	27
Working capital purposes	367	70	(195)	172
Total	525	100	(247)	278

The amount utilized for working capital was S\$195,000 and was used to pay for (i) salaries amounting to S\$109,000; (ii) annual listing fees to SGX amounting to S\$16,000; (iii) sponsor fee amounting to S\$41,000; (iv) office rental amounting to S\$12,000 and (v) other operating expenses amounting to S\$17,000.

The amount utilized for reduction of debts and liabilities was S\$52,000 and was used to pay for (i) sponsor fee amounting to S\$43,000 and (ii) other operating expenses amounting to S\$9,000.

The above utilisation is in accordance with the intended use of proceeds as stated in the Company's announcement dated 17 May 2022.

15. Negative confirmation pursuant to Rule 705(5) of the Catalist Rules.

The Board of Directors of the Company confirms that, to the best of their knowledge, nothing has come to the attention of the Board which may render the condensed interim consolidated financial statements for the six-months ended 30 June 2022 to be false or misleading in any material aspect.

16. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

The Company confirms that it has procured all the required undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

BY ORDER OF THE BOARD

Dato' Ng Tian Sang @ Ng Kek Chuan
Executive Chairman and Chief Executive Officer

24 August 2022